

Burlington International Airport
Strategic Planning Committee
Meeting of March 7, 2013

The Airport Strategic Planning Committee Meeting for March 7, 2013 was convened by Co-Chair Karen Paul at 5:15 PM. Committee members present were Karen Paul, Michael O'Brien, Ann Beland, Louise Stoll, Jane Knodell, Ed Colodny (by phone), Eernie Pomerleau and Jeff Schulman by Skype (from Israel). Also present were staff members Joseph McNeil, Gene Richards, Heather Kendrew, Ryan Betcher and Steve Gregg. Frasca & Assoc. principal Adam Whiteman was also present, as was South Burlington City Councilor Roseanne Greco.

The agenda for the meeting and the minutes of the January 31, 2013 meeting were approved.

There were no speakers at the public forum.

Co-Chair Paul indicated that the purpose of this meeting was to try to accomplish a SWOT analysis and to look at the draft mission and vision statements, items one through three on Adam Whiteman's outline. She indicated that Adam would serve as facilitator for the meeting.

Adam and the Committee members then outlined the Airport's strengths as follows:

1. Experience of the staff
2. A generally positive airport/airline relationship
3. The airport terminal facility and other infrastructure are in great shape.
4. The airport is a major economic driver for northern Vermont.
5. The airport has good accessibility.
6. The airport has a good customer base with 1.8 million people within one hour and 5.8 million people within two hours if Montréal island and metro area are included.
7. The airport's association with the Vermont Air National Guard with the Guard providing crash, fire and rescue services.
8. The airport has enjoyed relative stability and decent diversity of air carriers.
9. The airport's parking garage is an excellent facility and an excellent revenue generator.
10. The airport relationship with the City of Burlington as its owner is a positive relationship.

11. The excellent connection to bus service with Greyhound's terminal being right at the airport.

Mr. Whiteman and Committee members then identified the weaknesses of the airport as follows:

1. Two separated TSA locations to reach airport gates.
2. Public relations and marketing have not been as robust as could be the case.
3. There is insufficient staff capacity for the responsibilities exercised by the airport, with existing staff talented but over-burdened. .
4. The lack of an executed airline use agreement creates uncertainty and risk.
5. The governance relationship between the airport and the City of Burlington is overly complex and multilayered.
6. The airport's limited liquidity and its non— investment-grade bond rating stress the airport's ability to access major financial markets at reasonable cost.
7. The uncertain financial and regulatory relationship between the airport and the City of South Burlington create risks.
8. The airport's historic political hesitancy in raising rates and charges to sufficient levels is problematic.
9. The lack of a permanent, stable management team.
10. The lack of a direct access to the airport from interstate 89.
11. The lack of a fully healthy mixture of FBO's at the airport.
12. The lack of recreational activities available for stranded passengers at the airport.

Mr. Whiteman and the Committee members then referenced the Opportunities for the airport, which included:

1. The expansion of its customer base through more aggressive marketing.
2. The preservation of its existing customer base through the same method.
3. Improving the governance structure of the airport.
4. The presence of additional airport land available for development.
5. The potential to save operational costs in areas such as taxes and public safety services.

6. The advantage that might be gained through cuts in federal funding to competing smaller airports.
7. The additional revenues that could be gained by smart development of the airport's industrial park and other properties.
8. The potential to work more closely with travel agencies to make Burlington a destination.

Mr. Whiteman and the Committee members then spoke concerning the threats that existed with regard to prosperity at the airport, as follows:

1. Competition from proximate airports including Plattsburgh, Manchester, Albany and Montréal.
2. The airport's credit rating deterioration and its continued limited financial flexibility.
3. The rapid rise in airline ticket prices.
4. The relatively slow population growth in Vermont.
5. Legislative changes in Canada which might reduce taxes and fees for flying from Canadian airports.
6. Noise issues relating to the airplanes flown by the Air National Guard and late night commercial service into the airport. .
7. The possible loss of federal revenues from the US aviation program as a result of budget cuts.

Co-Chair Paul then passed out the draft of the mission and vision statements. She asked the committee members to look at these documents carefully between now and the next meeting, and to offer suggestions at the next meeting for improvement.

Co-Chair Paul indicated that the next meetings of the committee would be on March 21, April 4, April 18 and May 2, with a final meeting planned for May 16, at which the committee's work would be completed and its final recommendations made.

The meeting was adjourned at 7:15 PM.

Respectfully Submitted,

Joseph E. McNeil, Clerk

